

Sara Howard, 314-962-1523
Thursday, October 14, 2010

Calls for One-Time \$250 Payment to Help Missouri Seniors Facing Second Year Without a Social Security Cost of Living Increase

(ST. LOUIS, MO) - Representative Russ Carnahan (MO-03) today stepped up his efforts to get help for Missouri seniors who are facing a second year without a cost-of-living increase in their Social Security benefits. In a phone call he placed today to the Chairman of House Ways and Means Committee, Carnahan urged the House to act quickly on legislation that would provide a one-time \$250 payment to help seniors make ends meet in the absence of the cost of living increase they usually receive.

"Last week, I visited senior centers all across the region. And at every single stop, seniors raise this issue. They are really anxious about facing another year without a cost of living increase," Carnahan said. **"When you're living on a fixed income, every single penny matters, and seniors count on those few additional dollars they get with their annual cost of living increase."**

Annual Social Security cost of living adjustments, which average 2-3%, are currently calculated based on a consumer price index that includes a number of different types of products that families have to purchase - things like groceries, fuel, and health care. Because of the economic downturn, the "cost of living" has stayed flat, resulting in no adjustment for 2010 and 2011.

But that formula does not accurately reflect the real costs facing seniors, who spend less money on things like gasoline - the cost of which has gone down - and disproportionately more money on things like prescription drugs - the cost of which has gone up.

Carnahan urged Ways and Means Chairman Sander Levin (MI-12), whose committee has jurisdiction over the issue, to act immediately when Congress returns after the November elections to pass legislation that would provide a one-time \$250 payment to Social Security

recipients. He pointed out that while this is a temporary fix, it is desperately needed by Missouri seniors who are facing a second year in a row without an increase.

"We need to fix this formula so that seniors never again have to face the prospect of trying to make ends meet without a cost-of-living increase," Carnahan said. "But seniors need help now. They made it through one year; we have to get them some help now so they can get through the next."

Carnahan is a cosponsor of The Consumer Price Index for Elderly Americans Act, which would establish a new and separate consumer price index for seniors that would more accurately reflect the increased costs seniors face each year.

--###--